

## **Annual Activities**

There are two activities the OCHA conducts on an annual basis. These activities will be coordinated whenever possible:

- Annual recertification of income
- Annual HQS inspection

The OCHA maintains a listing of units under contract by month to ensure systematic reviews of contract rent, allowances for utilities and other services, and housing quality in accordance with the requirement for annual reexamination. Monetary changes are transmitted to the Accounting section to effect a change in the next appropriate rental payment.

Requests from families for reviews and/or inspections of units are handled in a timely manner. If the quality control check of files reveals a need for a special review, one is promptly performed.

The Housing Supervisor or other qualified person will reinspect a sample of units under contract during the OCHA's fiscal year, which meets the sample size requirements specified by HUD.

#### **A. ANNUAL REEXAMINATION/RECERTIFICATION**

Families will be requested to provide information on income, assets, allowances and deductions, and family composition at least annually.

When families move to another dwelling unit, the recertification date will not be changed but the new anniversary date will apply to inspection and owner rent adjustment.

Income limits will not be used as a test for continued eligibility at recertification.

When the family is called in for an annual recertification by the OCHA and the family then reports a change that results in an increase or decrease in the total tenant payment, it will be effective on the scheduled effective date with the proper notices specified in herein.

If, instead, the family comes into the OCHA's office to report a change which results in an increase or decrease in the total tenant payment, other than in response to an annual recertification, it will be considered an interim adjustment.

#### **Reexamination Notice to the Family:**

The OCHA will maintain a reexamination tracking system and at least 90 days in advance of the scheduled annual reexamination effective date, the head of household will be notified by mail that they and all adult members 18 years or older are required to attend a reexamination interview on a specified date (or rearrange a date in advance if the scheduled date is unacceptable). Upon determination by staff and approval by the supervisor that because of a disability or age, the tenant is unable to participate in a regular interview in the office, or if participation may create a hardship for the tenant, a phone interview may be conducted.

Families are encouraged not to bring children.

An application form (such as the Self-Disclosure Form) will be mailed to the family or given to the family to complete at the interview. The family will be instructed to fill out the form and bring it, as well as, the documents which support the information in the form, to the interview.

If the family does not attend or reschedule the appointment, the OCHA will send a follow-up letter, setting up a new appointment date and time.

If the family does not attend the rescheduled appointment, the OCHA will send a termination of assistance notice, giving the family 15 calendar days to request an informal hearing.

If the family responds to the termination notice within the 15 calendar days by contacting the OCHA, an informal hearing will be scheduled and conducted by the appropriate section of the OCHA. (See Informal Hearing Procedures in Chapter 23, of this document.)

If the family does not contact the OCHA within the time period for the informal hearing request, the date on the original termination notice becomes effective.

**Rent Reasonableness:**

If HUD determines that the FMR for the OCHA's jurisdiction drops by 5% or greater, the OCHA will conduct rent reasonableness certifications for all units during annual reinspections for January through December of the following annual period.

**Verification of Information Provided:**

Verification will be done in conjunction with the policy and procedures identified in Chapter 9 Verification, of this plan.

**Changes in Tenant Rent:**

When the information is analyzed, all necessary documents are prepared and signed by the tenant, and after all other requirements have been met, the OCHA will recalculate the tenant's portion of rent.

The OCHA will notify both the landlord and tenant of its determination and of the new rent to be paid by the tenant (and new Housing Assistance Payment to be paid by the OCHA) if applicable.

If there is an increase in the tenant's portion of the rent, the new rent portion will go into effect following a full thirty-day notice prior to the first of the month in which the new rent will apply. (If there has been misrepresentation by the tenant, or if the tenant caused a delay in the reexamination processing, there may be an increase in rent made retroactively.)

If there is a rent decrease, it will be effective on the scheduled effective reexamination date (unless the family has caused a delay in reexamination processing).

**B. ANNUAL HQS INSPECTION**

**General Policy:**

The OCHA will conduct an inspection using the Housing Quality Standards (and other standards approved in this Administrative Plan) at least annually.

The owner must be given time to correct the failed items. The OCHA will apply these guidelines:

If the item endangers the family's health or safety (using the emergency item list below), the owner must be given 24 hours to correct the violation.

For other deficiencies which could affect the health and safety of the occupants, the owner must be given up to thirty days to correct the item(s).

For other deficiencies which would not affect the health and safety of the occupants, the OCHA must determine if extensions of time are warranted, depending on the nature of the work to be completed and the OCHA's determination of a reasonable deadline.

If the owner fails to correct deficient items, after they have been given a reasonable time to correct the items, the Housing Assistance payment must be abated/suspended or if the deficiencies are not corrected, the HAP Contract must be terminated. Reinspections for deficiency items will include only those items

which failed. However, if the inspector encounters other deficiencies, the landlord will be notified and the regular deficiency procedures will be followed.

**Emergency Repair Items:**

The following items are to be considered of an emergency nature and are to be corrected by the owner within 24 hours of notice by the Inspector:

- Broken lock on first floor window or entry doors to unit
- Escaping gas from gas stove
- Major plumbing leaks or flooding
- Natural gas leak or fumes
- Electrical situation which could result in shock or fire
- No running water
- Obstacle which prevents tenant's access or exit to or from unit
- Non-functioning toilet if only toilet in house

The OCHA may give a short extension (not more than 48 additional hours) whenever the owner cannot be notified or it is impossible to repair within the 24-hour period.

If emergency items are not corrected within 24 hours or up to 72 hours, if extension is granted, the Owner will be given notice of the intent to terminate the HAP Contract and that the Housing Assistance Payment will be abated/suspended through the termination notice period. The OCHA may send the notices simultaneously.

**Abatement/Suspension:**

When it has been determined that a unit on the program has failed to meet Housing Quality Standards and/or has been found to exhibit an unreasonable rent requirement in which the owner has been given an opportunity to and has not been done so within the timeframe established by the OCHA, the rent for the unit shall be abated/suspended.

A letter of abatement/suspension notice shall be sent to the owner the next working day after the repair failed reinspection. The abatement/suspension shall continue until all items which caused the unit to fail have been corrected.

If the owner makes repairs during this period and the tenant intends to stay in the unit, the abatement/suspension will end the first business day that the unit passes inspection.

The OCHA will inspect abated/suspended units within three working days of the owner's contact with the OCHA to report the completed work.

No retroactive payments will be made to the owner for the period of time the rent was abated, and the tenant is not responsible to the owner for the OCHA's portion of rent that was abated.

**HAP Contract Termination:**

If the owner fails to correct all the deficiencies cited at the end of the abatement/suspension period after reinspection, the owner will be sent a notice of termination of the HAP Contract.

While the termination notice is running, the abatement/suspension will remain in effect.

If repairs are done before the effective termination date, the termination can be rescinded by the OCHA if the tenant chooses to remain in the unit.

After the HAP Contract notice has been given, during the extended abatement/suspension period, only one more Housing Quality Standards inspection will be conducted.

After the termination date has been reached and the owner and family agree that the tenant may remain in the unit and the unit passes HQS, a new Request for Tenancy Approval and lease must be submitted to the OCHA.

**Responsibility of the Family to Allow Inspection:**

The OCHA must be allowed to inspect the unit at reasonable times with reasonable notice.

The family is notified of the inspection appointment by mail. If the family is not able to be at home, the family must make arrangements to have an adult representative (over 18 years old) or the landlord/manager present on their behalf.

If the family missed the inspection appointment and did not arrange for the representative or the landlord/manager to be present, a second and final inspection (or reinspection) appointment will be scheduled. If the family misses two inspection appointments, the OCHA will consider the family to have violated a family obligation and their assistance will be terminated, following the termination of assistance procedures.

**C. RENT INCREASES BY OWNER**

Rent increases to owners under the Rental Assistance Program are to be effective on or after the expiration date of the HAP Contract. The rent increase shall take effect on the first day of the month. Requests for rent increases on any other day of the month shall be effective on the first of the following month. Such requests for an increase must be submitted in writing to the OCHA at least 60 days before becoming effective.

The OCHA will certify and document on a case-by-case basis that the approved rent:

- Does not exceed rents charged by the owner for comparable unassisted units in the private market; and
- Is reasonable in relation to rents charged by other owners for comparable units in the private market.

Rent reasonableness will be performed in conformance with the policy spelled out in Chapter 14, of this Plan.

A HAP increase will only be paid if the unit passes HQS inspection.

If an owner does not complete needed repairs and there are 2 failed inspections, the HAP contract will be terminated and the rent increase will be void.

